

February 15, 2010

Dear Kitchen Cabinet members,

This is week six of the 2010 legislative session, and there is just over three weeks left. Tomorrow (Tuesday) is "cutoff" at 5 p.m., the point at which the Senate can no longer consider new bills on the floor. After that, we go back to committees and begin examining bills passed by the House of Representatives.

TOWN HALL MEETINGS THIS WEEKEND!

This Saturday, you'll have an opportunity to talk directly to me at one of my town hall meetings in Lakewood and University Place. I invite all of you to come out and attend one of the two meetings, and bring your questions, comments or concerns. Participation is a great way to get involved in state government because what happens in Olympia often has a direct effect on you, your life or your finances. I look forward to hearing what you have to say. You can also find more information in my newsletter which will be in your mailbox this week.

LAKEWOOD

ADDRESS: Pierce County Library,

6300 Wildaire Road SW

DATE: Saturday, February 20

TIME: 10:00 a.m.

UNIVERSITY PLACE

ADDRESS: University Place City Hall,

3715 Bridgeport Way W, Ste. B-1

DATE: Saturday, February 20

TIME: 1:00 p.m.

Dismantling I-960: What it means to taxpayers

As I write this, a crowd of anti-tax advocates are gathered on the Capitol steps to voice their concern about attempts to raise and create new taxes in Washington. I can see from this picture that many of you from our district turned out to support this cause. I'm pleased to see you taking an active role in your state government.

I wish, however, that I could tell you your message was well received by the majority party in Olympia. Last week, Senate Democrats brought a bill to the floor which



would dismantle the taxpayer protection law enacted by Initiative 960, which requires a two-thirds majority legislative vote for tax increases. **Senate Bill 6130** would eliminate that requirement for any tax increase bill passed between now and July 1, 2011 (which covers the 2010 and 2011 legislative sessions), as well as:

- Amend the definition of what it means to "raise taxes" by excluding, among other things, modifying or repealing a tax incentive,
- Change the notification for I-960 bills, require notice only be sent if a bill is scheduled for a
 public hearing (rather than simply introduced, as was required under the initiative),
- Reduce the number of years listed on the fiscal impact information (from 10 years to the current biennium plus four years), and
- Repeal I-960's requirement for an advisory vote of the people for tax increases.

An interesting side note worth mentioning is that the Senate actually passed this bill <u>twice</u>. On Tuesday, the Senate debated a two section bill for over two-and-a-half hours. Yet, a few hours after passage, the <u>Democrats claimed they mistakenly passed the wrong bill!</u>

Later that evening in the Ways & Means committee, without any public notice, after a nearly seven hour hearing, the majority party pulled a title-only bill from 2009 and stuck a new version of the I-960 suspension onto the measure. At 10 pm, after executive session on all other bills, this bill was brought



up — and in less than five minutes it was heard and passed out of committee. No public testimony was given, and no opportunity for amendments was offered (nor could there have been as the language in the bill as passed out appeared to be in draft form — it was incomplete, lacked line numbers, and was not in form required by the Office of the Code Reviser.

The next morning a draft document that purported to

be the "do-over" bill as passed by the Ways & Means committee was circulated. A careful Republican inspection revealed that this version was NOT the one voted upon by the committee the night before. To Republican members' knowledge, this was a Senate first: a bill different from the one passed was being presented as a bill that the committee had approved.

The Senate majority was made aware of the discrepancy, and agreed to not attempt to move the new draft. After returning the bill to its proper form, and then fixing it with a new striker, the "do-over" bill (SB 6130) passed at 11:15 p.m. Wednesday, a little over twenty-four hours after it was first put forth in committee.

There are three nefarious parts to Senate Bill 6130 that you need to be aware of. The first is getting rid of the supermajority requirement to raise taxes. The majority party in Olympia believes that there are no other options to balance the state budget than to raise your taxes in a recession. The second is eliminating the transparency requirements, which cost the state absolutely nothing, and the third (and perhaps worst of all) is the inclusion of an emergency clause, <u>making it impossible to have a referendum to repeal it</u>.

The message Democrats seem to be sending is, "We're going to raise your taxes, we don't want you to know about it, and even if you find out about it, there's nothing you can do to stop us." From their point of view, they've done everything they can do to rein in costs, they've done as much cutting as they can, and now there is only one option left. The reality is they have not.

As you already know, I wouldn't even consider a tax increase unless government stops doing business as usual, wasting your money through such means as buying art (statues, paintings, etc.) for the committed sex predators on McNeil Island. In fact, from my office window, I can see a taxpayer-funded construction project going up a few blocks away. The cost of the new building is about 300 million dollars, and due to legislative



requirements, one-half of one percent of the total cost must be spent on art. So at a time when people are unemployed, businesses are closing their doors and families are struggling to get by, taxpayers are on the hook for \$1.5 million to buy art for the new building. I see that as a failure of the majority party to do anything other than business as usual.

Proposed "airplane tax" will likely stall economic recovery



Washington State aircraft owners are getting ready to fight a new tax that could add hundreds or even thousands of dollars a year to their fixed costs. A citizens' commission on tax preferences has recommended a 1 percent yearly excise tax based on the value of a private aircraft, so an aircraft worth \$100,000 would therefore be taxed \$1,000. The commission views the tax as a revenue opportunity and is recommending the state legislature impose it.

My question to those who support such a tax increase is: what is the difference between a hundred-thousand dollar aircraft and a hundred-thousand dollar house? The answer is that one of these two is mobile and can take off and land somewhere other than our state. For example, if the corporate jet for a Washington company is currently housed at an airfield in the Tri-Cities and this new tax proposal is adopted, it's extremely easy to base that plane across the border in Oregon where there is no tax.

In addition, there would be no sales tax on the parts and labor to maintain that plane in Oregon, making it an even more attractive home base. Plus all the good paying jobs involved in the upkeep of that plane would be located around the planes home base in Oregon. The small amount of money the state might get from an airplane tax is miniscule in comparison to the huge amount of money the state would get from the maintenance and operation of that plane in Washington. It's simply pennywise and pound-foolish to tax something that is so mobile that it can easily relocate elsewhere.

State no longer "jointly" liable in wrongful deaths

Senate Bill 6508 has to do with wrongful death of an adult child and who is responsible for compensation of the surviving family members. If the adult child of someone was to die, and someone else contributed to the death of that individual, even if the family was not dependent on the income of the deceased, they would be able to sue for the emotional distress of losing their loved one. And it wouldn't be just the mother and father of the deceased who could sue...all the brothers and sisters could separately sue as well.

In the original version of the bill, there was "joint and severally liable" language which would have made <u>any entity</u> that may be fractionally responsible for the death equally liable. For example, if a person is hit and killed by a car and the road was a little slick causing the driver of the car to swerve before hitting the pedestrian, because the county is responsible for maintaining the roads they would be liable as well.



There are many towns and cities in Washington which would go absolutely bankrupt if they were responsible for making the family of an accident victim whole by restitution. Fortunately, an amendment has been agreed upon which would make cities and counties only "severally" liable, meaning if the judgment found the government entity to be only 10% liable, then it would be responsible for only 10% of the restitution. I believe that is a fair way to deal with this complex issue. The state should not attempt to bring about justice by creating another injustice. Still, businesses and individuals are still open to being deemed "jointly" responsible. Hopefully, the sponsors of this measure realize that it is basically a "full-employment" bill for trial attorneys and scale back the scope of this bill.

The status of my bills

SJR 8218 - Constitutional amendment restricting bail

Amends the state Constitution so that offenses that may result in a mandatory life sentence upon conviction are not bailable.

PASSED THE SENATE 43-4 ON FEB. 11

SB 6316 - Coordination between local law enforcement and DOC

Requires notification of DOC when an inmate, housed in any city our county jail and under supervision by the department, escapes or is released, provides local law enforcement real-time access to the statewide corrections database, and allows local law enforcement to detain offenders in violation of their conditions of release with or without an arrest warrant having been issued.

PASSED THE SENATE 46-0 ON FEB. 11

SB 6309 - Not guilty by reason of insanity inheritance

Prohibits a person found not guilty by reason of insanity in a murder case from benefiting by their action.

- HEARD IN JUDICIARY JANUARY 27.
- APPROVED BY JUDICIARY FEBRUARY 2.
- NOW AWATING FULL SENATE VOTE.

SB 6308 - Computer access at SCC

Prohibits any person committed or detained at the SCC from accessing a personal computer unless the resident's treatment plan states that such access is necessary.

- HEARD IN HUMAN SERVICES AND CORRECTIONS JANUARY 28.
- APPROVED BY HUMAN SERVICES AND CORRECTIONS FEBRUARY 2.
- NOW AWAITING FULL SENATE VOTE.

SJR 8208 - Conflicting residency requirements

Amends the state Constitution to repeal a conflicting residency requirement for voting in a presidential election.

- REINTRODUCED FROM LAST SESSION
- NOW AWAITING FULL SENTATE VOTE.

In closing...

If you know someone in our district who might be interested in receiving these updates, please feel free to forward this e-mail to him or her.



As always, if you'd like to contact me you can write, phone, e-mail, or stop by my Olympia office. I look forward to your comments and suggestions because they help me better represent you. My office phone number is (360) 786-7654, and my home phone number is (253) 581-2859. Or you can write me at 102 Irv Newhouse Building, P.O. Box 40428, Olympia, WA 98504-0428.

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Sincerely,

Mike Carrell

28th District State Senator